

Message Text

CONFIDENTIAL

PAGE 01 KINGST 00299 191845Z
ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-07 INR-07 LAB-04
NSAE-00 SIL-01 PM-04 NSC-05 SP-02 SS-15 /056 W
-----200513Z 100574 /13

R 191800Z JAN 77
FM AMEMBASSY KINGSTON
TO SECSTATE WASHDC 3779
INFO AMEMBASSY BRIDGETOWN
AMEMBASSY GEORGETOWN
AMEMBASSY NASSAU
AMEMBASSY PORT

C O N F I D E N T I A L KINGSTON 0299

E.O. 11652: GDS
TAGS: PLAB, PINT, JM
SUBJECT: THE UNIONS AND AUSTERITY

1. REACTIONS OF JAMAICA'S TRADE UNIONS TO PRIME MINISTER
MANLEY'S ANNOUNCED INTENTION TO IMPOSE A PROGRAM OF AUSTER-
ITY HAVE BEEN MIXED. THE BITU (ALLIED WITH THE OPPOSITON
JLP) HAS TAKEN A STRONG STAND AGAINST A WAGE FREEZE, INCREASED
TAXATION AND REDUCED IMPORTS AS INSTRUMENTS TO REVIVE THE
ECONOMY. THE NWU (ALLIED WITH THE PNP) AND SEVERAL OTHER
MINOR TRADE UNIONS ISSUED A STATEMENT JANUARY 17 CALLING
FOR AN IMMEDIATE PRICE FREEZE ON ALL COMMODITIES, THE
MAINTENANCE OF ALL "PEOPLE-ORIENTED" PROGRAMS, AND A MORE
EQUITABLE DISTRIBUTION OF THE TAX BURDEN.

2. WHILE ALL UNIONS HAVE BEEN WAITING ANNOUNCEMENT OF THE
GOVERNMENT'S ECONOMIC PACKAGE, INDUSTRIAL/LABOR
DISPUTES HAVE CONTINUED AT JAMAICA'S USUAL HIGH LEVEL.
THE BITU WORKERS OF THE BANK OF JAMAICA WERE CALLED
OUT ON STRIKE JANUARY 17 BUT RETURNED TO WORK
JANUARY 19 AFTER A TRIBUNAL AWARDED WAGE INCREASES
OF UP TO 50 PERCENT AND NUMEROUS FRINGE BENEFITS.
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 KINGST 00299 191845Z

THE BITU HAS ALSO INITIATED STRIKES AGAINST A
MAJOR MERCHANDISE PRODUCER AND A TRANSPORTATION
COMPANY IN THE LAST FEW DAYS. THE NWU CALLED A
STRIKE AT THE JAMAICA CORDAGE CO. ON JANUARY 17.

3. COMMENT: IT IS LIKELY THAT THE TRADE UNIONS
WILL HOLD THE KEY TO ANY GOVERNMENT STABILIZATION

PROGRAM WHICH MUST NECESSARILY INCLUDE A STRICT WAGE POLICY. WHILE THE GOVERNMENT-ALLIED NWU AND SOME OF THE MINOR UNIONS HAVE BEEN FAIRLY QUIESCENT SO FAR, THE BITU HAS BEGUN A SERIOUS CAMPAIGN IN OPPOSITION TO MANY OF THE ECONOMIC MEASURES PRIME MINISTER MANLEY IS LIKELY TO ANNOUNCE JANUARY 19. AS THE PINCH OF AUSTERITY IS FELT, WE WOULD EXPECT THE OTHER UNIONS WOULD ALSO FEEL INCREASED INTERNAL PRESSURES TO SPEAK OUT AGAINST WAGE RESTRICTIONS AND INCREASED CONSUMER PRICES. THE RESULT MAY WELL BE INCREASED LABOR UNREST, UNLESS THE GOVERNMENT IS ABLE TO INTERVENE DIRECTLY AND USE ITS INFLUENCE (READ COERCION) TO KEEP THE UNIONS IN LINE. REGARDLESS OF THE OUTCOME, IT IS LIKELY TO BE THE UNIONS, NOT THE JLP, WHICH WILL OFFER THE MORE PROMINENT OPPOSITION TO THE GOVERNMENT DURING THE FORTHCOMING PERIOD OF AUSTERITY. GERARD

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LABOR OBJECTIVES, LABOR UNION OFFICIALS
Control Number: n/a
Copy: SINGLE
Sent Date: 19-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977KINGST00299
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770020-1205
Format: TEL
From: KINGSTON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770138/aaaabgwf.tel
Line Count: 80
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: a5eea2d4-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 24-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3561278
Secure: OPEN
Status: NATIVE
Subject: THE UNIONS AND AUSTERITY
TAGS: ELAB, PINT, JM, (MANLEY)
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/a5eea2d4-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009